



**2019 Corp Summary and Revenue-Virginus Development**  
To Expand Resources while Reducing Startup Capital and Time to Production  
July 2019

# Forward-Looking Information Cautionary Statement

## *Cautionary Statement Regarding Forward-Looking Information*

This presentation contains certain forward-looking statements, including statements regarding, metals grades, potential mineralization, exploration results, and future plans and objectives of Aurcana Corporation ("Aurcana" or the "Company"). These statements are forward-looking statements that involve various risks and uncertainties. Forward-looking statements include, but are not limited to, the Company's strategic vision to enhance value, potential mineral grades or tonnages at the Shafter property (the "SP Mine" or "Shafter") and the Revenue-Virginus Mine (the "RV Mine"), mining and processing of mineralized material, achieving projected recovery rates, anticipated production rates and mine life, potential future cash flows, operating efficiencies, costs and expenditures, changes in mineral resources and reserves, and other information that is based on forecasts of future operational or financial results, estimates of amounts not yet determinable and assumptions of management. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates" or "intends" or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to materially differ from those reflected in the forward-looking statements. Actual results may differ materially from results contemplated by the forward-looking statements. Important factors that could differ materially from the Company's expectations include, among others, risks related to receipt of regulatory or shareholder approvals, unsuccessful further exploration results, metals prices, fluctuations in currency prices, international operations, conclusions of economic evaluations and changes in project parameters as plans continue to be refined as well as changes in the availability of funding for mineral exploration and development, unanticipated changes in key management personnel and general economic conditions. When relying on forward-looking statements to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and should not place undue reliance on such forward-looking statements. The Company does not undertake to update any forward-looking statements, oral or written, made by itself or on its behalf, except as required by applicable law. Accordingly, readers should not place undue reliance on forward-looking statements.

This presentation includes disclosure of scientific and technical information, as well as information in relation to the estimation of resources, with respect to the SP Mine and the RV Mine. Aurcana's disclosure of mineral reserve and resource information is governed by National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101") under the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as may be amended from time to time by the CIM. Certain information in this presentation is derived from reports titled "*Preliminary Economic Assessment and Updated Technical Report on the Shafter Project, Presidio County, Texas*" dated July 29, 2018 and "*NI 43-101 Technical Report Feasibility Study Revenue-Virginus Mine, Ouray, Colorado*" dated July 30, 2018". A copy of the reports is available on the SEDAR website under Aurcana's profile at [www.sedar.com](http://www.sedar.com). All scientific and technical disclosure in this document related to the SP Mine has been reviewed and approved by Kevin Francis, a qualified person pursuant to NI 43-101 and SME Registered Member, Vice President – Project Development of Aurcana. All scientific and technical disclosure in this document related to the RV Mine has been reviewed and approved by Val Pratico, P.Geol, Chief Geologist, OSML, a qualified person pursuant to NI 43-101.

## Cautionary Note to United States Investors Concerning Estimates of Measured, Indicated and Inferred Resources:

These tables use the terms "Measured", "Indicated" and "Inferred" Resources. United States investors are advised that while such terms are recognized and required by Canadian regulations, the United States Securities and Exchange Commission does not recognize them. "Inferred Mineral Resources" are considered too speculative geologically to have economic considerations applied to them. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or other economic studies except in limited circumstances. United States investors are cautioned not to assume that all or any part of Measured or Indicated Mineral Resources will ever be converted into Mineral Reserves. United States investors are also cautioned not to assume that all or any part of a Mineral Resource is economically or legally mineable.

- Revenue-Virginus Mine: Ouray, Colorado
  - Primary silver with gold, lead and zinc by-products
  - 43-101 compliant Feasibility Study demonstrates economic restart (SRK, 2018)
  - Fully permitted for restart
  - More than \$100m invested since 2012
  - 400 stpd underground processing facility
  - Near-term down-dip and along strike resource expansion opportunities
  
- Shafter Project: Presidio, Texas
  - Pure silver resource with potential gold targets
  - More than \$100m historically invested
  - 43-101 compliant PEA completed (MDA, 2018)
  - Significant land package with identified targets for exploration





# Asset Locations



Revenue-Virginius Mine is located in southwestern Colorado about 5.5 miles southwest of the town of Ouray via County Road 361

Ouray is easily accessible from Montrose Airport (36 miles to the north) or by road (about 5.5 hour drive from Denver)

Operation is year-round and has close proximity to local communities, such as Ouray, Ridgway and Montrose.



The Shafter Project is located in south-central Presidio County in southwestern Texas, 44 miles south of Marfa and 21 miles northeast of Presidio, which borders the Mexican State of Chihuahua

# Revenue-Virginus Mine





# Feasibility Study Highlights

## RESOURCES AND RESERVES<sup>2</sup>

<i>Measured and Indicated Resources</i>	<b>29.9Moz AgEq @ 30.3 AgEq oz/st</b>
<i>Inferred Resources</i>	<b>13.2Moz AgEq @ 39.9 AgEq oz/st</b>
<i>Proven and Probable Reserves</i>	<b>21.2Moz AgEq @ 36.9 AgEq oz/st</b>

## OPERATING METRICS

<i>1<sup>st</sup> 5 full years Average Annual Payable Production</i>	<b>3.1 Moz AgEq</b>
<i>1<sup>st</sup> 5 full years AISC of Production after by-product credits<sup>3,4</sup></i>	<b>US\$7.38/oz Ag</b>
<i>LOM AISC of Production after by-products credits<sup>3,4</sup></i>	<b>US\$8.00/oz Ag</b>
<i>Total Capital Requirement to Positive Cash Flow including capitalized operating cost, concentrate payment terms &amp; working capital</i>	<b>US\$36.8mm</b>

## AFTER-TAX ECONOMICS

<i>NPV<sub>5%</sub></i>	<b>US\$74.9mm</b>
<i>IRR</i>	<b>71%</b>
<i>Payback Period from First Production Month</i>	<b>16 months</b>
<i>First Production Month from Project Start</i>	<b>7<sup>th</sup> month</b>
<i>Commencement of Positive Cash Flow from Project Start<sup>3</sup></i>	<b>9<sup>th</sup> month</b>

(1) Based on the NI 43-101 OSMI Feasibility Study issued by SRK Consulting (U.S.), Inc. effective June 15, 2018 ("FS"); Metal equivalent basis is calculated using the FS Price Deck: Ag \$18.50/oz, Au \$1,300/oz, Pb \$1.00/lb, Zn \$1.20/lb. See Appendix and slide 16 for individual metal components of resources and reserves. For further information see the Company's news release dated July 30, 2018 titled "Aurcana Announces Transformational Transaction" which is available on the Company's website and is filed on SEDAR [www.sedar.com](http://www.sedar.com); (2) Resources inclusive of Reserves; (3) AISC or All In Sustaining Costs is a non-IFRS and Non-GAAP measure; AISC includes all production costs related to extraction and processing as well as costs associated with transportation, treatment, refining and other selling costs plus capital costs; (4) By-product credits for Au, Pb & Zn calculated with the FS Price Deck.

# Feasibility Study Revenue and Cash Flow

Values in \$000

REVENUE ALLOCATION			
<u>Payable Gross Revenue by Metal</u>	<u>Value</u>	<u>% of Gross</u>	<u>Wtd. Average Prices</u>
Silver	\$237,995	71%	\$18.50 /oz
Gold	\$25,461	8%	\$1,300 /oz
Copper	\$0	0%	n/a
Lead	\$51,256	15%	\$1.00 /lb
<u>Zinc</u>	<u>\$18,633</u>	<u>6%</u>	<u>\$1.20 /lb</u>
<b>Total</b>	<b>\$333,345</b>	<b>100%</b>	

ESTIMATE OF CASH FLOW		
	<u>Value</u>	<u>% of G. Rev.</u>
Total Gross Revenue	\$333,345	
<u>Smelting / Refining / Freight / Insurance &amp; Other</u>	<u>(\$43,423)</u>	
<b>Total Net Revenue</b>	<b>\$289,922</b>	<b>87%</b>
<u>Total Operating Cost</u>	<u>(\$144,387)</u>	<u>-43%</u>
<b>Operating Profit (EBITDA) Pre-tax Cash Flow</b>	<b>\$145,535</b>	<b>44%</b>
<u>Total Tax</u>	<u>(\$10,460)</u>	<u>-3%</u>
<b>After Tax Cash Flow</b>	<b>\$135,076</b>	<b>41%</b>
LOM Capital	(\$42,618)	

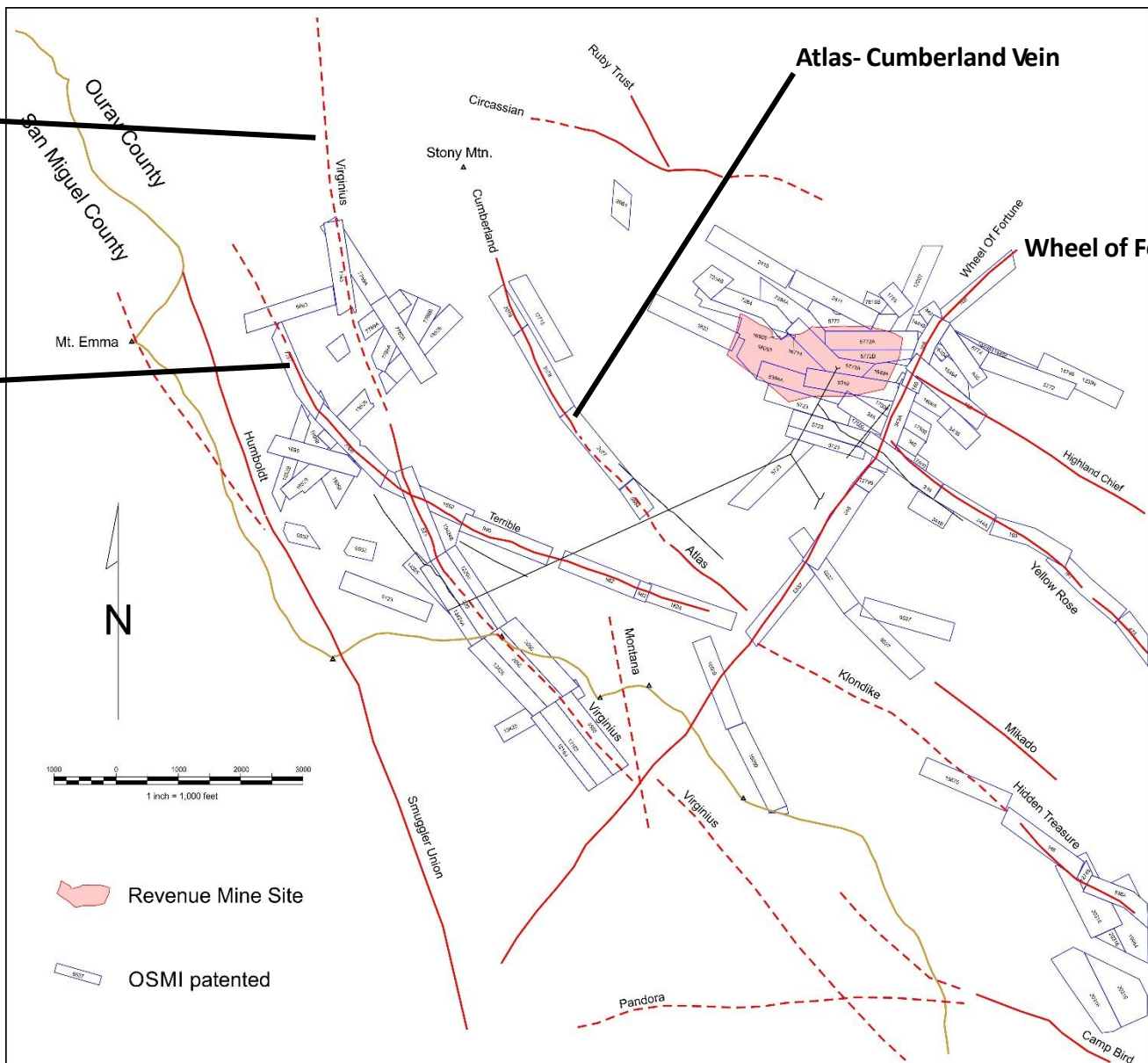
DISCOUNTED CASH FLOW AND RETURNS		
	<u>Pre-Tax</u>	<u>After-Tax</u>
Undiscounted Free Cash Flow (US\$000)	\$102,918	\$92,458
NPV USD\$000 @ 5.0%	\$83,597	\$74,883
IRR	75.5%	71%
Break Even Years	1.9	1.9

Based on the NI 43-101 OSMI Feasibility Study issued by SRK Consulting (U.S.), Inc. effective June 15, 2018 ("FS") and OSMI analysis; All technical disclosure in this document related to the RV Mine has been reviewed and approved by Jeff Osborn of SRK Consulting, a qualified person pursuant to NI 43-101. Jeff is independent of Aurcana and OSM. (1) Due to historical owners; 2% NSR capped at \$9m

# Vein Locations with Mineral and Surface Ownership

**Virginus Vein**  
Northward Extension  
Southward Extension

**Terrible Vein**  
Northward Extension  
Southward Extension

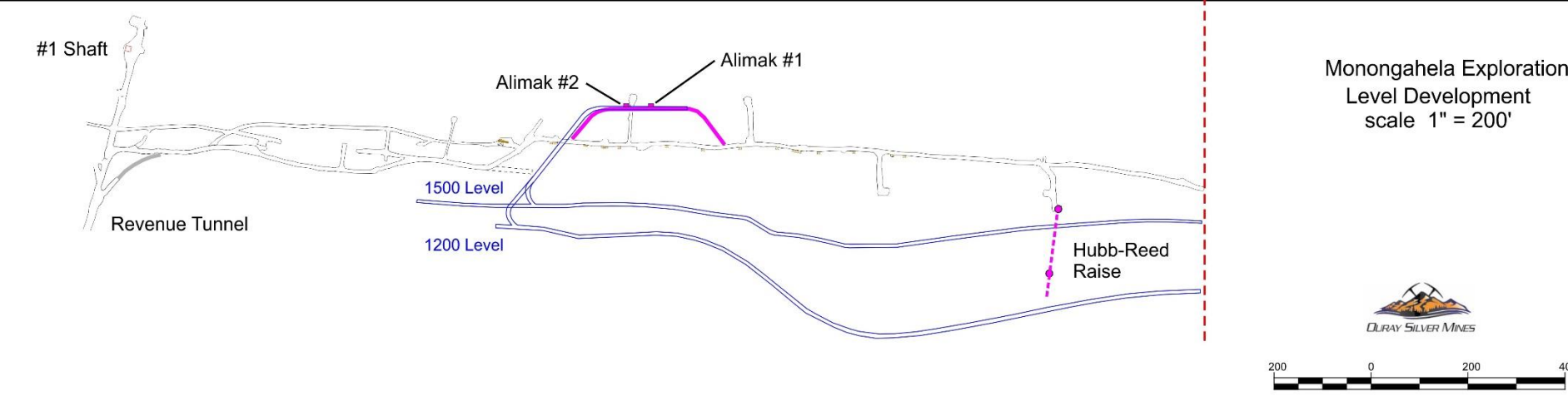
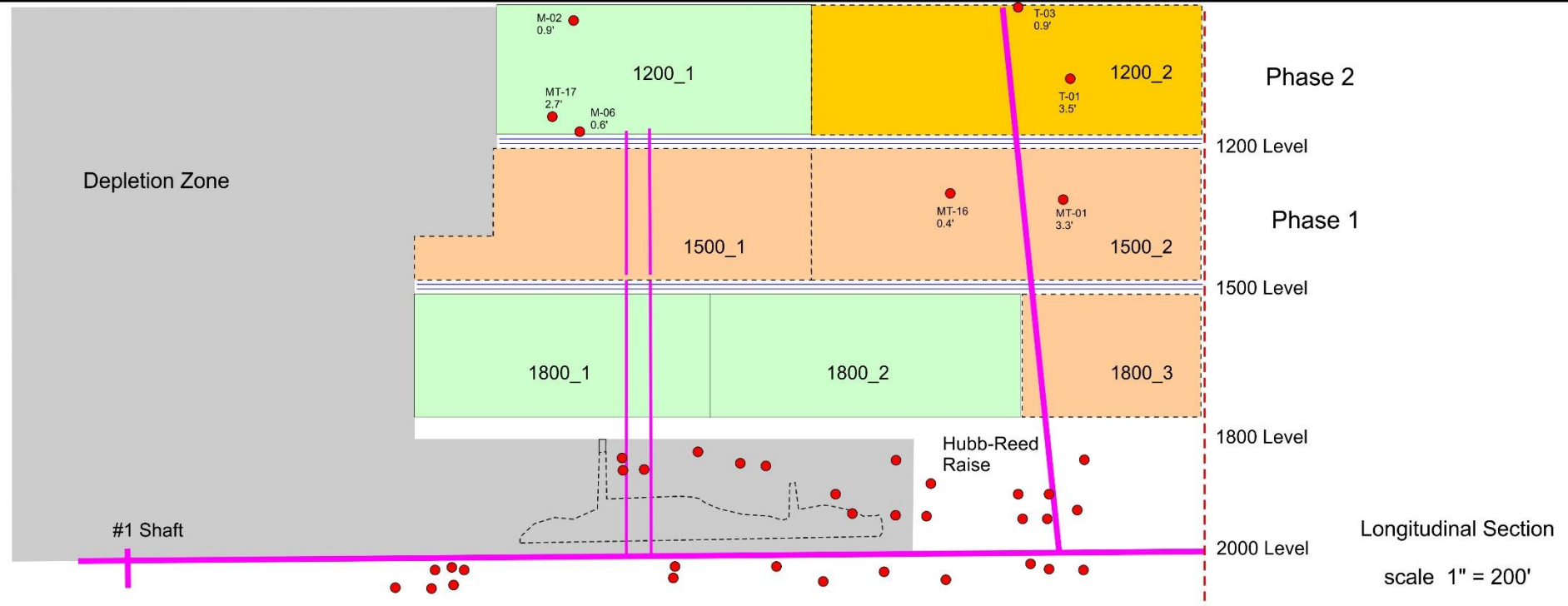




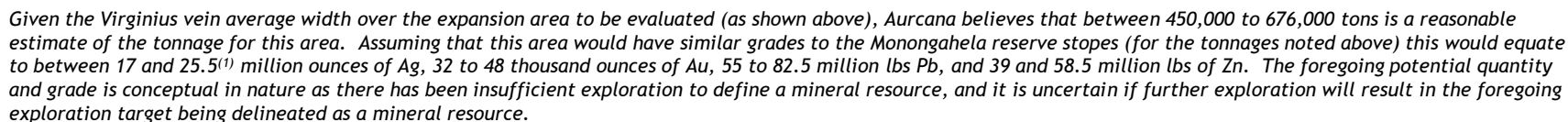




# Virginus North Development Plan Long Section







# Acquired Lands Lease and USFS Permit

US Forest Service Lands  
Proposed Lease and  
Prospecting Permit  
Submitted June, 2019





There is a contiguous claim package with known gold and silver mineralization. There is a good correlation between the drill results, underground workings and other exposures of the main mineralized veins. A resource potential in close proximity to the OSM mill.

## Mountain Top Mine

(owned by Camp Bird)

Holds the northward extension of the Virginius vein. Excellent production potential

Not fully explored with potential for enhanced gold grades and replacement mineralization.

